

**LEGISLATIVE SERVICES AGENCY
OFFICE OF FISCAL AND MANAGEMENT ANALYSIS**

301 State House
(317) 232-9855

FISCAL IMPACT STATEMENT

LS 7188

BILL NUMBER: HB 1756

DATE PREPARED: Dec 28, 2000

BILL AMENDED:

SUBJECT: National Guard Scholarships.

FISCAL ANALYST: Chuck Mayfield

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FUNDS AFFECTED: X GENERAL
DEDICATED
FEDERAL

IMPACT: State

Summary of Legislation: This bill provides that the State Student Assistance Commission may not require a student otherwise eligible to receive a National Guard tuition scholarship to enroll for a minimum number of credit hours to receive the tuition scholarship.

Effective Date: July 1, 2001.

Explanation of State Expenditures: The State Student Assistance Commission has designed the National Guard Scholarship primarily as a full-time student grant that requires a student to be enrolled at least twelve hours. The State Student Assistance Commission also created a part-time version of the grant that requires a student to be enrolled at least six credit hours. The number of National Guard students who are enrolled less than six credit hours in college is not known. Currently 483 (3.4%) of the 14,255 members of the National Guard receive a National Guard Scholarship at a cost of \$1.35 M. The addition of another 500 members taking only 3 hours of class could cost about \$350,000 in tuition fees.

The scholarships first became available during FY 2001 and were funded by the Budget Agency use of available contingency funds. Future scholarships will require a General Fund appropriation. If sufficient funds are not appropriated, the Commission is unsure whether they have the authority to grant scholarships on a first come first serve basis or will need to proportionally reduce the awards. The Commission request for the current scholarship program in FY 2002 is \$2,206,470 and \$3,561,783 in FY 2003.

Explanation of State Revenues:

Explanation of Local Expenditures:

Explanation of Local Revenues:

State Agencies Affected: State Student Assistance Commission.

Local Agencies Affected:

Information Sources: Nick Vesper, State Student Assistance Commission, 317-233-5094; Adjutant General's 2001-2003 Budget Submission.